



Local Ballot Measure: C

Full Text of Measure C

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF PACIFIC GROVE, CALIFORNIA, INCREASING THE MONTHLY COMPENSATION OF CITY OF PACIFIC GROVE COUNCILMEMBERS AND MAYOR AND PERMITTING CITY COUNCILMEMBERS AND MAYOR TO WAIVE ANY OR ALL OF THEIR MONTHLY COMPENSATION

FINDINGS

The People of the City of Pacific Grove hereby find:

1. Article 11 of the Charter of the City of Pacific Grove provides that the Mayor may receive compensation as provided by ordinance, but in no case shall the compensation exceed that amount which is permitted by State Law for General Law cities of comparable size to Pacific Grove.
2. Article 12 of the Charter of the City of Pacific Grove provides Councilmembers may receive compensation as provided by ordinance, but in no case shall the compensation exceed that amount which is permitted by the State Law for General Law cities of comparable size to Pacific Grove.
3. By Ordinance No. 1682 N. S. passed and adopted by council on July 19, 1989, compensation for Pacific Grove Councilmembers was set at \$300.00 a month and compensation for the Pacific Grove Mayor was set at \$500.00 a month.
4. The current compensation for the Mayor and City Councilmembers was set by Ordinance No. 98-24 adopted on August 19, 1998 (effective December 1, 1998), 27 years ago as of December 1, 2025, which increased the compensation of the Mayor from \$500 a month to \$700 a month and increased the compensation of City Councilmembers from \$300 a month to \$420 a month.
5. On June 29, 2023, Senate Bill No. 329 was adopted by the California State Legislature amending Government Code Section 36516 and was approved by the Governor pertaining to the compensation of City Councilmembers and became effective on January 1, 2024.
6. The findings in SB 329 included the following:
SECTION 1. The Legislature finds and declares all of the following:
 - (a) The compensation schedule for general law cities has not been adjusted since 1984, meaning that city council compensation has not kept pace with inflation.
 - (b) Allowing cities to adjust their compensation for inflation since 1984 may help city councils become more diverse because increased compensation can help individuals from across different income levels receive sufficient income from their service to help ensure that they can continue to serve the public and support their families.
7. Government Code Section 36516 (a) provides that a city council may enact an ordinance providing that that each member of the city council shall receive a salary in the following amount:
 - (1) For cities with a population of 35,000 or less, the compensation permitted increased by SB 329 from \$300 dollars to \$950 dollars, or.
 - (2) In the alternative, the compensation of City Councilmember could be increased by the greater amount of:
 - (A) An amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the compensation in effect when the ordinance or amendment is enacted.
 - (B) An amount equal to inflation since January 1, 2024, based upon the California Consumer Price Index, which shall not exceed 10 percent for each calendar year.
8. Government Code Section 36516 (b) provides that "Notwithstanding subdivision (a), at any municipal election, the question of whether city council members shall receive a salary for services, and the amount of that salary, may be submitted to the electors. If a majority of the electors voting at the election favor it, all of the council members shall receive the salary specified in the election call. The salary of council members may be increased beyond the amount provided in this section or decreased below the amount in the same manner."
9. Government Code Section 36516.1 provides that an elected mayor may be provided with compensation in addition to that which he or she receives as a council member.



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10. Pursuant to Government Code Section 36516.1, the amount of additional compensation for an elected mayor, may be provided by an ordinance adopted by the city council or by a majority of the electors voting on the proposition at a municipal election.
11. The California Consumer Price Index increased from December 1998 to December 2025 by over 100% percent.
12. City Ordinance No. 1872 was adopted on December 16, 1992 which allowed for the mayor and council members to decline all of their compensation but may not decline the compensation in part or accept in part.
13. On May 21, 2025, the City Council adopted Ordinance No. 25-007 to repeal Ordinance No. 1872 N. S. and to increase the monthly compensation of City Council Members to \$966 and increase the monthly compensation of the Mayor to \$1610.
14. On August 20, 2025, following receipt by the City of a Referendum against Ordinance No. 25-007, the City Council approved a Motion to direct staff to return to the Council on September 3, 2025 with an ordinance repealing Ordinance No. 25-007 and to return to the Council at a future meeting for discussion of a possible ballot measure to be presented in 2026 for a public vote on an ordinance increasing the salary of the Mayor and City Councilmembers.
15. On September 3, 2025, the City Council introduced Ordinance No. 25-016 repealing Ordinance 25-007.
16. On September 17, 2025, the City Council adopted Ordinance No. 25-016 repealing Ordinance No. 25-007.
17. Government Code Section 36516.5 provides for general law cities that an increase in compensation shall be effective whenever one or more members of the city council becomes eligible for a salary increase by virtue a council member beginning a new term of office which would be in December 2026.
18. Applying the 5% per year formula of Government Code Section 36516 (a)(4)(A), there would be a compensation increase for City Councilmembers from the current \$420 a month to \$987 a month using a 5% annual increase for the 27 year period from December 1998 (the last compensation increase) through December 2025 which is 27 years. 5% of \$420 is \$21 multiplied by 27 years is a \$567 increase. \$420 plus \$567 equals \$987.
19. Applying the formula of Government Code Section 36516 (a)(4)(A), there would be a compensation increase for the Mayor from the current \$700 a month to \$1645 a month using a 5% annual increase for the 27 year period from December 1998 (the last compensation increase) through December 2025 which is 27 years. 5% of \$700 is \$35 multiplied by 27 years is a \$945 increase. \$700 plus \$945 equals \$1645.
20. Pursuant to Government Code Section 36516 (b) when the question of the amount of the compensation of the Councilmembers is submitted to the electors, the salary amount shall be the amount specified in the election call.
21. Pursuant to Government Code Government Code Section 36516.1, when the question of the amount of the additional compensation for an elected Mayor is submitted to the electors, the additional compensation amount shall be the amount specified in the election call.
22. The City Council exercises its independent judgment and finds that this Resolution and the Proposed Ordinance are not subject to the California Environmental Quality Act ("CEQA"), because the enactment of this Resolution and the Proposed Ordinance: (1) does not constitute a "project" as defined by CEQA pursuant to Sections 15060(c)(3) and 15378; (2) will not result in a direct or reasonably foreseeable indirect physical change in the environment pursuant to Section 15060(c)(2); and (3) is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment pursuant to 15061(b)(3).

NOW, THEREFORE, THE PEOPLE OF THE CITY OF PACIFIC GROVE DO ORDAIN AS FOLLOWS:

SECTION 1. Findings. The foregoing Findings are hereby incorporated by reference in full.

SECTION 2. Repeal of Ordinance No. 1872 N. S. Ordinance No. 1872 N. S. is hereby repealed in its entirety.

SECTION 3. Compensation of Councilmembers and Mayor. Commencing on the date a City Councilmember begins a new term of office in December 2026, the compensation for City Councilmembers and the Mayor shall be as follows:

- A. City Councilmembers \$ 987 per month
- B. Mayor \$1645 per month

SECTION 4. Waiver of Compensation. The Mayor and/or individual Councilmembers may waive any or all of the compensation permitted by this Ordinance.



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SECTION 5. Severability and Interpretation. This Ordinance shall be broadly construed in order to achieve its purpose. This Ordinance shall be interpreted so as to be consistent with all applicable Federal and State laws, rules, and regulations. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, part, or portion of this Ordinance is held to be invalid or unconstitutional by a final judgment of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The voters hereby declare that this Ordinance, and each section, subsection, paragraph, subparagraph, sentence, clause, phrase, part, or portion thereof would have been adopted or passed even if one or more sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, parts, or portions were declared invalid or unconstitutional. If any provision of this Ordinance is held invalid as applied to any person or circumstance, such invalidity shall not affect any application of this Ordinance that can be given effect without the invalid application.

SECTION 6. Publication. The City Clerk shall publish and/or post this Ordinance in the manner required by law.

SECTION 7. Effective Date. Pursuant to Elections Code Section 9217, this Ordinance shall be considered adopted on the date that the City Council declares that the voters of the City of Pacific Grove have approved the Ordinance by a vote of no less than a majority of the votes cast by the electors voting on this Ordinance at the Special Municipal Election held on Tuesday, June 2, 2026, and shall go into effect ten (10) days thereafter.

SECTION 8. Amendment or Repeal. Except as otherwise provided in this Ordinance, this Ordinance may be amended or repealed only by the voters of the City of Pacific Grove.

SECTION 9. Amendment by City Council. Pursuant to Elections Code Section 9217, this Ordinance may be amended by an ordinance adopted by the City Council provided that such ordinance is not adopted before January 1, 2031 unless the City Charter, as it may be amended from time to time, provides otherwise.

PASSED AND ADOPTED BY THE PEOPLE OF THE CITY OF PACIFIC GROVE this 2nd day of June 2026

APPROVED:

Nick Smith, Mayor